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(Original Signature of Member)

108TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

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**IN THE HOUSE OF REPRESENTATIVES**

Mr. SHAYS (for himself and Mr. MARKEY) introduced the following bill; which  
was referred to the Committee on \_\_\_\_\_

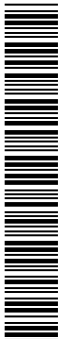
\_\_\_\_\_  
**A BILL**

To extend the registration and reporting requirements of  
the Federal securities laws to certain housing-related  
Government-sponsored enterprises, and for other pur-  
poses.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION. 1. SHORT TITLE.**

4       This Act may be cited as the “Leave No Securities  
5 Behind Act.”



1 **SEC. 2. REGISTRATION OF SECURITIES.**

2 (a) FANNIE MAE.—

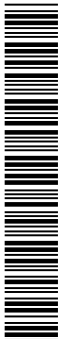
3 (1) MORTGAGE-BACKED SECURITIES.—Section  
4 304(d) of the Federal National Mortgage Associa-  
5 tion Charter Act (12 U.S.C. 1719(d)) is amended by  
6 striking the fourth sentence and inserting the fol-  
7 lowing new sentence: “Securities issued by the cor-  
8 poration under this subsection shall not be exempt  
9 securities within the meaning of the laws adminis-  
10 tered by the Securities and Exchange Commission.”

11 (2) SUBORDINATE OBLIGATIONS.—Section  
12 304(e) of the Federal National Mortgage Association  
13 Charter Act (12 U.S.C. 1719(e)) is amended by  
14 striking the fourth sentence and inserting the fol-  
15 lowing new sentence: “Obligations issued by the cor-  
16 poration under this subsection shall not be exempt  
17 securities within the meaning of the laws adminis-  
18 tered by the Securities and Exchange Commission.”

19 (3) SECURITIES.—Section 311 of the Federal  
20 National Mortgage Association Charter Act (12  
21 U.S.C. 1723c) is amended—

22 (A) in the section header, by striking “AS-  
23 SOCIATION”;

24 (B) by inserting “(a) IN GENERAL.—”  
25 after “SEC. 311.”;



1 (C) in the second sentence, by inserting  
2 “by the Association” after “issued”; and

3 (D) by adding at the end the following new  
4 subsection:

5 “(b) TREATMENT OF CORPORATION SECURITIES.—

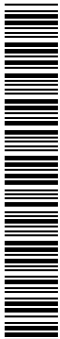
6 “(1) IN GENERAL.—Any stock, obligations, se-  
7 curities, participations, or other instruments issued  
8 or guaranteed by the corporation pursuant to this  
9 title shall not be exempt securities within the mean-  
10 ing of the laws administered by the Securities and  
11 Exchange Commission.

12 “(2) EXEMPTION FOR APPROVED SELLERS.—

13 Notwithstanding any other provision of this title or  
14 the Securities Act of 1933, transactions involving  
15 the initial disposition by an approved seller of pooled  
16 certificates that are acquired by that seller from the  
17 corporation upon the initial issuance of the pooled  
18 certificates shall be deemed to be transactions by a  
19 person other than an issuer, underwriter, or dealer  
20 within the meaning of the laws administered by the  
21 Securities and Exchange Commission.

22 “(3) DEFINITIONS.—For purposes of this sub-  
23 section:

24 “(A) APPROVED SELLER.—The term ‘ap-  
25 proved seller’ means an institution approved by



1 the corporation to sell mortgage loans to the  
2 corporation in exchange for pooled certificates.

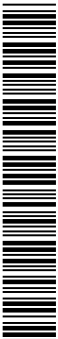
3 “(B) POOLED CERTIFICATES.—The term  
4 ‘pooled certificates’ means single class mort-  
5 gage-backed securities guaranteed by the cor-  
6 poration that have been issued by the corpora-  
7 tion directly to the approved seller in exchange  
8 for the mortgage loans underlying such mort-  
9 gage-backed securities.

10 “(4) MORTGAGE RELATED SECURITIES.—A sin-  
11 gle class mortgage-backed security guaranteed by  
12 the corporation that has been issued by the Corpora-  
13 tion directly to the approved seller in exchange for  
14 the mortgage loans underlying such mortgage-  
15 backed securities or directly by the corporation for  
16 cash shall be deemed to be a mortgage related secu-  
17 rity as defined in section 3(a) of the Securities Ex-  
18 change Act of 1934.”.

19 (b) FREDDIE MAC.—Subsection (g) of section 306 of  
20 the Federal Home Loan Mortgage Corporation Act (12  
21 U.S.C. 1455(g)) is amended to read as follows:

22 “(g) TREATMENT OF SECURITIES.—

23 “(1) IN GENERAL.—Any securities issued or  
24 guaranteed by the Corporation shall not be exempt



1 securities within the meaning of the laws adminis-  
2 tered by the Securities and Exchange Commission.”.

3 “(2) EXEMPTION FOR APPROVED SELLERS.—

4 Notwithstanding any other provision of this title or  
5 the Securities Act of 1933, transactions involving  
6 the initial disposition by an approved seller of pooled  
7 certificates that are acquired by that seller from the  
8 Corporation upon the initial issuance of the pooled  
9 certificates shall be deemed to be transactions by a  
10 person other than as an issuer, underwriter, or deal-  
11 er within the meaning of the laws administered by  
12 the Securities and Exchange Commission.

13 “(3) DEFINITIONS.—For purposes of this sub-  
14 section:

15 “(A) APPROVED SELLER.—The term ‘ap-  
16 proved seller’ means an institution approved by  
17 the Corporation to sell mortgage loans to the  
18 Corporation in exchange for pooled certificates.

19 “(B) POOLED CERTIFICATES.—The term  
20 ‘pooled certificates’ means single class mort-  
21 gage-backed securities guaranteed by the Cor-  
22 poration that have been issued by the Corpora-  
23 tion directly to the approved seller in exchange  
24 for the mortgage loans underlying such mort-  
25 gage-backed securities.”.

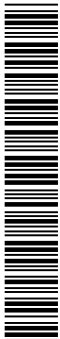


1 (c) REGULATIONS.—The Securities and Exchange  
2 Commission may issue any regulations as may be nec-  
3 essary or appropriate to carry out the purposes of this  
4 section and the amendments made by this section.

5 (d) EFFECTIVE DATE.—The amendments under this  
6 section shall be made upon the expiration of the 180-day  
7 period beginning on the date of the enactment of this Act,  
8 but shall apply only with respect to fiscal years of the Fed-  
9 eral National Mortgage Association and the Federal Home  
10 Loan Mortgage Corporation that begin after the expira-  
11 tion of such 180-day period.

12 **SEC. 3. LIMITATION ON REGISTRATION FEES.**

13 (a) IN GENERAL.—Section 6(b)(2) of the Securities  
14 Act of 1933 (15 U.S.C. 77f(b)(2)) is amended by adding  
15 at the end the following new sentence: “Notwithstanding  
16 any other provision of this title, no applicant, or group  
17 of affiliated applicants that do not include any investment  
18 company registered under the Investment Company Act  
19 of 1940, filing a registration statement subject to a fee  
20 shall be required in any fiscal year with respect to all reg-  
21 istration statements filed by such applicant in such fiscal  
22 year to pay an aggregate amount in fees to the Commis-  
23 sion pursuant to subsection (b) in excess of five percent  
24 of the target offsetting collection amount for such fiscal  
25 year. Fees paid in connection with registration statements



1 relating to business combinations shall not be included in  
2 calculating the total fees paid by any applicant.”.

3 (b) EFFECTIVE DATE.—The amendment under sub-  
4 section (a) shall be made and shall apply upon the expira-  
5 tion of the 180-day period beginning on the date of the  
6 enactment of this Act.

